About the State Center Consumer Protection Report

The National State Attorneys General Program at Columbia Law School’s Consumer Protection Report is now the State Center Consumer Protection Report ("Consumer Protection Report"). Published by The Center for State Enforcement of Antitrust and Consumer Protection Laws ("State Center") in partnership with StateAG.org, the Consumer Protection Report is a monthly compilation of state attorney general press releases on local and national consumer protection efforts, including investigations, court cases, consumer alerts and advocacy initiatives. It makes no effort to prioritize, analyze or comment on the information presented in the press releases and their potential impact on consumers.

The Consumer Protection Report relies solely and exclusively on state attorney general press releases, and thus is not an exhaustive representation of state attorney general consumer protection activity.

The Consumer Protection Report is produced through the State Center’s State AG Consumer Protection Initiative: a website featuring all current and previous editions of the Report and a database, allowing visitors to conduct key-word and drop-down menu searches of all previous editions. To visit the Initiative website, please visit www.statecenterinc.org/cpi-newsletter.

• If an office would like their consumer protection activity included in subsequent newsletters, please contact us.

• Newsletter sign up: To sign up for the monthly Consumer Protection Report, please sign up here.

For more information about the State Center and StateAG.org, please visit our websites:

State Center: http://www.statecenterinc.org
StateAG.org: www.stateag.org
# Table of Contents

Consumer Protection Cases

<table>
<thead>
<tr>
<th>State</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARIZONA</td>
<td>4</td>
</tr>
<tr>
<td>CALIFORNIA</td>
<td>6</td>
</tr>
<tr>
<td>COLORADO</td>
<td>6</td>
</tr>
<tr>
<td>FLORIDA</td>
<td>8</td>
</tr>
<tr>
<td>IDAHO</td>
<td>10</td>
</tr>
<tr>
<td>ILLINOIS</td>
<td>11</td>
</tr>
<tr>
<td>INDIANA</td>
<td>13</td>
</tr>
<tr>
<td>MARYLAND</td>
<td>14</td>
</tr>
<tr>
<td>MASSACHUSETTS</td>
<td>14</td>
</tr>
<tr>
<td>MICHIGAN</td>
<td>16</td>
</tr>
<tr>
<td>MISSISSIPPI</td>
<td>18</td>
</tr>
<tr>
<td>MISSOURI</td>
<td>19</td>
</tr>
<tr>
<td>NEBRASKA</td>
<td>20</td>
</tr>
<tr>
<td>NEVADA</td>
<td>20</td>
</tr>
<tr>
<td>NEW HAMPSHIRE</td>
<td>22</td>
</tr>
<tr>
<td>NEW JERSEY</td>
<td>22</td>
</tr>
<tr>
<td>NEW YORK</td>
<td>25</td>
</tr>
<tr>
<td>NORTH CAROLINA</td>
<td>30</td>
</tr>
<tr>
<td>NORTH DAKOTA</td>
<td>32</td>
</tr>
<tr>
<td>OHIO</td>
<td>32</td>
</tr>
<tr>
<td>OKLAHOMA</td>
<td>34</td>
</tr>
<tr>
<td>PENNSYLVANIA</td>
<td>35</td>
</tr>
<tr>
<td>TEXAS</td>
<td>38</td>
</tr>
<tr>
<td>UTAH</td>
<td>39</td>
</tr>
<tr>
<td>VERMONT</td>
<td>39</td>
</tr>
<tr>
<td>VIRGINIA</td>
<td>41</td>
</tr>
<tr>
<td>WASHINGTON</td>
<td>41</td>
</tr>
</tbody>
</table>

Multistate Cases

<table>
<thead>
<tr>
<th>State</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>MASSACHUSETTS</td>
<td>48</td>
</tr>
<tr>
<td>MISSOURI</td>
<td>48</td>
</tr>
<tr>
<td>OKLAHOMA</td>
<td>50</td>
</tr>
</tbody>
</table>
11/22/2016
**Arizona Man Accused of Operating Construction Fraud Scheme**

Attorney General Mark Brnovich announced AZAG Special Agents arrested Lance Wills for allegedly stealing more than $150,000 from Arizona families in a construction fraud scheme. The arrest comes after a State Grand Jury indicted Wills on six felony counts in October 2016.

The indictment charges Wills with one count of Fraudulent Schemes and five counts of Theft. An Arizona Registrar of Contractors investigation found Wills allegedly obtained money from seven victims by claiming he had a valid contractor’s license. Victims claimed they paid Wills more than $150,000 for construction projects that were never completed. In one case, Wills allegedly took full payment to re-roof a home, but never returned to do any of the work.

This matter was investigated by the Arizona Registrar of Contractors’ Unlicensed Activity Division.


11/2/2016
**Arrest Warrant Issued for AZ Couple Accused of Construction Fraud Scheme**

PHOENIX - Arizona Attorney General Mark Brnovich and the Arizona Registrar of Contractors announced a judge issued an arrest warrant for an El Mirage couple accused of stealing more than $15,000 from owners of a Surprise home in a construction fraud scheme. The State Grand Jury indicted Rafaela Juarez and Hugo Juarez-Zaragoza for Conspiracy, Illegally Conducting an Enterprise, Fraudulent Schemes & Artifices, and Theft.

The Arizona Attorney General’s Office has been unable to locate Rafaela Juarez and Hugo Juarez-Zaragoza to serve them with the indictment. The charges against the Juarez-Zaragozas are the result of an AZ ROC investigation. According to the indictment, the Juarez-Zaragozas agreed to complete various home improvement projects at a residence between January 2016 to March 2016. It is alleged the Juarez-Zaragozas accepted approximately $15,000 in payments, failed to complete ...

10/31/2016

Nine Arizonans Indicted Accused of Operating Telemarketing Scam

PHOENIX - Nine Arizonans are facing federal charges arising from a joint criminal investigation by the Arizona Attorney General’s Office Special Investigations Section, the Internal Revenue Service Criminal Investigation, the United States Postal Inspection Service, and the Federal Bureau of Investigation. The federal multi-count indictment was filed in the United States District Court for the Eastern District of Missouri. The United States Attorney’s Office for the Eastern District of Missouri is prosecuting this case.

Defendants Michael McNeill, Joshua Flynn, Timothy Murphy, Shawn Casey, Thomas Silha, Jennifer Hansen, Dean Miller, Michael Silver, and John Balleweg are alleged to have participated in a fraudulent telemarketing scheme selling false and fictitious business opportunities. The defendants allegedly targeted elderly victims across the United States and Canada and generated ...


10/14/2016

AG Brnovich Wins Consumer Fraud Trial Against Tucson Moving Company

PHOENIX - Attorney General Mark Brnovich announced a Pima County Superior Court found 3 Gorillas Moving and Storage, LLC violated the Arizona Consumer Fraud Act and ordered the company to pay more than $17,000 in consumer restitution. 3 Gorillas Moving was owned and operated by Troy Emerson. "Moving is stressful enough and Arizonans should be able to trust a moving company with their most valuable possessions," said Attorney General Mark Brnovich. "We wanted justice for Arizona consumers and we’re pleased with the court’s decision."


10/14/2016

AZ Consumer Fraud Lawsuit Filed Against Arch Vacations

PHOENIX - Arizona Attorney General Mark Brnovich announced his office filed a Consumer Fraud Lawsuit against Phoenix-based Arch Vacations, Inc. and its President, Darlene Ziebell. The lawsuit alleges Arch Vacations and Ziebell violated the Arizona Consumer Fraud Act by using deceptive sales tactics to convince consumers to buy vacation packages. The lawsuit further alleges the company and Ziebell unfairly omitted important facts causing customers to misunderstand what they were purchasing.
An Attorney General’s Office consumer fraud investigation discovered Arch Vacations allegedly used telemarketing to sell “Arch Travel Certificates.” Arch Vacations is not a registered telemarketer with the State of Arizona. The lawsuit alleges in part that the company represented to consumers that purchasing an Arch Travel Certificate would “lock in” the price of a vacation, but, in fact, consumers ...


CALIFORNIA

10/28/2016
Attorney General Kamala D. Harris Secures $15 Million in Relief for Victims of Bernie Madoff Ponzi Scheme Feeder Fund
SAN FRANCISCO - Attorney General Kamala D. Harris today announced a $15 million settlement securing restitution for Californians who invested money with Beverly Hills-based investment adviser Stanley Chais, money that he then funneled into Bernard Madoff’s notorious Ponzi scheme.

Chais was responsible for one of the largest operations channeling money directly to Bernard Madoff, violating California’s consumer protection and corporate securities laws. He deceived his clients, many of whom were elderly, into paying him substantial fees, claiming he was actively managing their money while in actuality turning their investments over to Madoff. As a result, many lost their life savings when Madoff’s fraudulent scheme was ultimately exposed in late 2008.


COLORADO

11/30/2016
AG Coffman Announces Significant Relief for Victims of Illegal Auto Title Loan Scheme
DENVER—Colorado Attorney General Cynthia H. Coffman announced today that her office secured a significant judgment against a group running an illegal auto title loan scheme in Colorado. The group used a variety of names with consumers, including Sovereign Lending Solutions, LLC; Car Loan, LLC; and Autoloans, LLC.
The Attorney General’s Office demonstrated that the individuals behind these fictitious names made, serviced, and collected personal loans – some of which had annual percentage rates exceeding 300% – to over 400 Colorado consumers. Consumers were required to turn over title to their vehicle as collateral for the loans, which often resulted in vehicles being repossessed that had values far greater than the loans themselves. Such auto title loans are illegal in Colorado.


11/7/2016
Denver Man Sentenced to 24 Years in Prison for Sophisticated Fraud Scheme
DENVER —Colorado Attorney General Cynthia H. Coffman announced today that Jose Ricardo Sarabia-Martinez, of Denver was sentenced to 24 years in prison after being found guilty of multiple counts including felony violations of the Colorado Organized Crime Control Act (COCCA), COCCA-Conspiracy, forgery, theft, and criminal impersonation. Sarabia-Martinez is expected to also be ordered to pay restitution of nearly $1 million.

“Mr. Sarabia-Martinez was the mastermind of a fraudulent scheme that stole millions of dollars from his victims,” said Attorney General Coffman. “This lengthy sentence will keep him off the streets and prevent him from harming any other innocent people.” Sarabia-Martinez, along with his fellow co-conspirators used their status as professionals in the real estate industry to execute a long-term diverse fraud for profit scheme. The scheme primarily centered on ...


CONNECTICUT

10/3/2016
AG Jepsen, Banking Commissioner Pérez: RBS enters $120M Settlement with State of Connecticut to Resolve RMBS Investigation
Largest single state settlement in Connecticut history resolves four-year investigation into bank's financial crisis conduct

RBS Securities, Inc. will pay $120 million to the state of Connecticut to resolve an investigation into its underwriting of residential mortgage-back securities (RMBS) in the lead-up to the 2008 financial crisis, Attorney General George Jepsen and state Department of Banking Commissioner Jorge Perez announced today.
"The collapse of financial instruments, especially residential mortgage-backed securities, was directly responsible for the financial crisis that led to the Great Recession that so badly impacted the economies of our state and our nation," said Attorney General Jepsen. "RBS failed to properly determine – and misstated – the quality of the mortgage loans comprising many mortgage-backed securities. Over the past four years, my staff – working in close …


FLORIDA

10/26/2016
Attorney General Bondi Announces Settlement with Vanity Cosmetic Surgery

Vanity Cosmetic Surgery allegedly committed deceptive or unfair acts toward consumers in connection with refunds. According to allegations, Vanity Cosmetic Surgery failed to clearly and conspicuously disclose all material terms and conditions of the transaction to consumers, failed to honor their refund policy, failed to honor consumers’ requests for refunds and …

Original Press Release:

10/25/2016
Ten Assisted Living Facility Owners Charged in Health Care Fraud and Kickback Scheme
TALLAHASSEE, Fla.—Attorney General Pam Bondi, with United States Attorney for the Southern District of Florida Wifredo A. Ferrer, the U.S. Department of Health and Human Services Office of Inspector General and the Federal Bureau of Investigation Miami Field Office, today announced that 10 assisted living facility owners are charged for allegedly receiving kickbacks and participating in a health care fraud scheme.

“This extensive investigation uncovered a massive kickback scheme targeting our seniors, but working together with our great federal partners, this health care fraud scheme has been thwarted and 10 suspects are now in police custody,” said Attorney General Bondi.
10/14/2016
**Winter Park Resident Arrested for Timeshare Fraud**

TALLAHASSEE, Fla.—Attorney General Pam Bondi’s Office of Statewide Prosecution and the Florida Department of Law Enforcement today announced the arrest of a Winter Park resident in connection to a scheme targeting victims of timeshare fraud. June Andriulaitis, 54, is a licensed timeshare salesperson who did business as Advocates for Senior, LCC.

“We will not allow unscrupulous individuals to further victimize consumers who have already been victimized by timeshare fraud and are seeking financial help,” said Attorney General Pam Bondi. "My Office of Statewide Prosecution will continue to partner with the Florida Department of Law Enforcement to ensure any scammers seeking to make money with false promises are held accountable.”

---

**GEORGIA**

11/29/2016
**SCAM ALERT: Attorney General Chris Carr Warns of Georgia Power Telemarketing Scam**

ATLANTA, GA- Attorney General Chris Carr is warning businesses about a telemarketing fraud scheme in which scam artists pose as representatives from Georgia Power and threaten to shut off the business’ power unless a payment is made immediately. The fraudsters then provide a toll-free number to call to set up the payment. When customers dial that number, they get a recording that mimics the power company phone system, increasing the effectiveness of this scam. Additionally, when customers choose the “Billing” option from the automated menu, they are connected to a live person who assigns them a case number and instructs them to send funds via a Green Dot MoneyPak prepaid card or a wire transfer.

---


*Original Press Release: [http://www.myfloridalegal.com/newsrel.nsf/newsreleases/2851F1BB18EBBC5B8525804C005293D2](http://www.myfloridalegal.com/newsrel.nsf/newsreleases/2851F1BB18EBBC5B8525804C005293D2)*

11/3/2016
CashCall Agrees to Suspend Collections on Payday Loans Made to Georgia Consumers
ATLANTA, GA – Attorney General Chris Carr announced today that internet lender CashCall, Inc. has agreed to suspend collections on approximately $6.5 million in payday loans it and a related entity, Western Sky Financial, LLC, made to Georgia consumers between 2009 and 2013. This comes as a result of a recent Georgia Supreme Court ruling that the State’s Payday Lending Act governs internet lenders, like CashCall and Western Sky Financial. The Supreme Court’s ruling allows the State’s case to move forward in the trial court, requires CashCall to place over $15 million collected from Georgia consumers in the registry of the court while the case is pending and permits the State to add additional parties as defendants in the action.


10/4/2016
Attorney General Sam Olens and the FTC Halt Multi-Million Dollar Scam Perpetrated by Laptop & Desktop Repair, LLC
Atlanta, GA – Attorney General Sam Olens today announced that the State of Georgia and the Federal Trade Commission (“FTC”) have charged Laptop & Desktop Repair, LLC, an electronics buyback company, and its owner, Vadim Olegovich Kruchinin, with violating the Georgia Fair Business Practices Act and the FTC Act through a long-running scam in which they promised consumers “top dollar” amounts for used electronic devices and then paid them only a fraction of the quoted amount after consumers sent in their devices.

Laptop & Desktop Repair, LLC (“LDR”) is a Nevada limited liability company, also doing business as cashforiphones.com, cashforlaptops.com, ecyclebest.com, smarthphonetraders.com, sell-your-cell.com.


IDAHO

11/23/2016
Attorney General Settles with Another Unregistered Telemarketer
(Boise) — Attorney General Lawrence Wasden announced a settlement with US Registration, Inc., a Caldwell telephone solicitor. US Registration primarily sells compliance services to commercial truck drivers. Purchasers have until January 16, 2017 to request refunds from the company.
The settlement resulted from the Attorney General’s investigation into allegations that US Registration made hundreds of telephone solicitations without first registering with the Attorney General’s Office. US Registration called purchasers who recently obtained U.S. Department of Transportation (USDOT) numbers and, according to purchasers, implied the company was affiliated with the USDOT.


11/22/2016

**Wasden Warns Idaho Residents of Fraudulent Sweepstakes Letter**

(Boise) - Attorney General Lawrence Wasden is warning Idahoans of a fraudulent sweepstakes notification that's been sent to at least one Idaho resident. The correspondence was created to appear as though it's an official letter from the Attorney General. It is not. The letter is dated November 17, 2016 and includes a letterhead and the state seal. The text is poorly written and contains numerous errors and capitalization mistakes.

The letter falsely explains to the recipient they’ve won $25 million from the “Mega Millions Sweepstakes Company” and that the prize money is fully registered with the “better business bureau” and the IRS.


---

**ILLINOIS**

11/23/2016

**MADIGAN SUES DOG GROOMING SCHOOL FOR DEFRAUDING STUDENTS**

Chicago — Attorney General Lisa Madigan filed a lawsuit today against a suburban Cook County dog grooming school for defrauding Chicago-area students out of more than $85,000. Madigan filed the lawsuit in Cook County Circuit Court against the Academy of Dog Grooming Arts Ltd., located in Arlington Heights, Ill., as well as its owner and president, Sharron Panther and secretary, Mike Panther. Madigan’s lawsuit seeks full refunds for students defrauded by the school in addition to civil penalties.

10/6/2016

Madigan Reaches $3.5 Million Settlement with Lender for Selling Product with Hidden, Sky-High Interest Rates

Chicago — Attorney General Lisa Madigan today announced she is cracking down on lenders in Illinois that are illegally selling small-dollar loans riddled with hidden costs and fees, including a $3.5 million settlement with All Credit Lenders that has provided hundreds of thousands of dollars in restitution for consumers across the state.

Madigan’s settlement requires the Elgin, Illinois-based All Credit Lenders to immediately stop offering the revolving line of credit that carried hidden interest rates disguised as “required account protection fees” ranging from 350 percent to more than 500 percent. Under the settlement, the company must stop collecting on these loans and waive outstanding balances for thousands of consumers. All Credit Lenders has already paid $200,000 in restitution to borrowers who were unemployed or receiving social security at the time they received their loan and ...


10/3/2016

ATTORNEY GENERAL MADIGAN: HUNDREDS OF ILLINOIS REGENCY BEAUTY INSTITUTE STUDENTS ELIGIBLE FOR STUDENT LOAN RELIEF

Chicago — Attorney General Lisa Madigan announced today that hundreds of former Illinois students who attended Regency Beauty Institute are eligible to have their federal student loan debt forgiven by the U.S. Department of Education.

Regency, with 10 locations in Illinois, permanently closed its 79 nationwide locations on Sept. 28, 2016. Students who were enrolled on that date, or who withdrew from Regency within 120 days prior (on or after May 31, 2016), are eligible for a closed school discharge, which means all of their federal loans will be discharged and they will receive a check for any amounts they paid on those loans. A comprehensive FAQ on the closing can be found here on Madigan’s website. “Students enrolled at for-profit schools that close qualify to have their federal loans forgiven,” said Madigan.

➢ Original Press Release:
http://www.illinoisattorneygeneral.gov/pressroom/2016_10/20161003b.html
Telemarketing Complaints plummet following IRS imposter scam raid

INDIANAPOLIS, Ind. – Indiana Attorney General Greg Zoeller said nearly 3,500 complaints were filed with his office this year about the IRS imposter scam, making it the predominant telephone privacy complaint of 2016. However, since a raid in India last month breaking up the telemarketing ring, complaints have dropped significantly from nearly 500 in September, to just 67 in October. Phone scams offering credit services and tech support services are the second and third most common complaints this year.

In early October, Indian police arrested 70 people in Mumbai responsible for the so-called Internal Revenue Service (IRS) imposter scam. In late October, the U.S. Justice Department arrested 20 alleged co-conspirators in this country. In the scam, callers claim to be with the IRS and demand immediate payment of past-due taxes. Scammers often threaten arrest and jail time if the payment ...

Original Press Release:

Attorney General Zoeller announces refunds of more than $415,000 to Hoosier homeowners in settlement over tax sale schemes

INDIANAPOLIS, IND. – Indiana Attorney General Greg Zoeller announced today the return of more than $415,000 to Indiana homeowners victimized by a complicated tax sale scheme orchestrated by California-based 4Bridge, LLC and Colorado-based Asset Recovery, Inc.

According to complaints filed by the Attorney General’s Office in Marion County Circuit Court this year, 4Bridge and Asset Recovery perpetrated a complicated scheme that took advantage of vulnerable Hoosiers across the State who had fallen behind in their real-estate taxes and who did not understand the tax sale process. Homeowners in Elkhart, Howard, Lake, Madison, Marion, Vanderburgh, and Vigo counties will receive a refund.

The settlement calls for restitution totaling $418,525.97 to 24 Indiana homeowners and a permanent injunction preventing further behavior described in the complaints ...

Original Press Release:
MARYLAND

11/21/2016
Attorney General Frosh: Moving Company Ordered to Pay $549,226 for Scamming Consumers
Maryland Attorney General Brian E. Frosh today announced that his Consumer Protection Division issued a Final Order finding that Best Offer Moving Company, LLC and those who ran it, Andrii Dziapka and Karina Sokol, repeatedly violated the Consumer Protection Act and the Maryland Household Goods Movers Act, and requiring them to return money to consumers and pay penalties and costs amounting to $549,226.45.


MASSACHUSETTS

11/22/2016
AG Healey Secures $2.4 Million, Significant Policy Reforms in Major Settlement with Student Loan Servicer
BOSTON – A national loan servicer responsible for handling millions of student loan accounts across the country has agreed to pay $2.4 million over allegations that it failed to properly process struggling Massachusetts students’ applications for federal repayment plans intended to lower their monthly payments and engaged in harassing debt collection practices, amongst other violations of state and federal law, Attorney General Maura Healey announced today.

The assurance of discontinuance, filed on Monday in Suffolk Superior Court, alleges that ACS Education Services (ACS), which services federal loans made under the Federal Family Education Loan (FFEL) program along with private loans, also charged some borrowers excessive late fees, failed to protect some active-duty servicemembers as required by federal law, and made excessive phone calls to borrowers.


11/10/2016
Falmouth Man Pleads Guilty to Larceny and Money Laundering in Connection With Construction Machinery Scheme
BOSTON – A Falmouth man has pleaded guilty to larceny and money laundering charges in connection with a construction machinery scheme through which he stole money from customers, Attorney General Maura Healey announced today.
Dennis Desgroseilliers, age 68, of Falmouth, pleaded guilty in Suffolk Superior Court yesterday to charges of Larceny over $250 (10 counts) as a Common and Notorious Thief and Money Laundering (two counts). Desgroseilliers, who owned two construction equipment companies, accepted payment for equipment from multiple buyers but never delivered the products or provided refunds. He will be sentenced on Dec. 8.


11/4/2016

**Sutton Man Operating Foreclosure Relief Scheme Ordered to Pay $600,000 for Taking Illegal Fees From Distressed Homeowners**

BOSTON – A Sutton man involved in the operation of a group of businesses that falsely advertised themselves as non-profit foreclosure prevention organizations has been ordered to pay more than $600,000 for soliciting and spending illegal advance fees received from distressed homeowners, Attorney General Maura Healey announced today.

Suffolk Superior Court Judge Paul Wilson granted a motion for summary judgment filed by the AG’s Office holding Gailon Arthur Joy of Sutton liable for 68 violations of the Massachusetts Consumer Protection Act. Joy induced homeowners to give deposits of up to 25 percent of their gross monthly incomes, claiming the deposits were necessary to be eligible for federal and other mortgage relief programs.


10/27/2016

**AG Takes Action Against Bayer Over Deceptive Marketing About Risks of Pesticides**

BOSTON — Bayer CropScience, the world’s largest agrochemical company and one of the largest global manufacturers of pesticides, has agreed to pay $75,000 and change its advertising practices to resolve allegations that the company misled and deceived consumers about the potential risks its pesticides pose to bees and the environment, Attorney General Maura Healey announced today.

BOSTON – Attorney General Maura Healey has negotiated an agreement with National Grid that returns more than $1.5 million to thousands of National Grid residential gas customers who were wrongfully charged a more expensive rate.

Under the agreement, National Grid will issue bill credits to more than 4,500 residential gas customers who were incorrectly charged the company’s non-heating rate instead of the less expensive heating rate. Credit amounts will be customer-specific and issued later this year.

“As the ratepayer advocate for Massachusetts, we want to ensure that utilities are not overcharging their customers,” said AG Healey. “With this agreement, thousands of customers who paid too much for their gas usage will receive the credit they deserve, and National Grid will take additional measures to help prevent this in the future.”


MICHIGAN

11/21/2016
Former Survivor Contestant Pleads No Contest in Ponzi Scheme, Will Pay $30,000 in Restitution
LANSING – Michigan Attorney General Bill Schuette today announced that Michael Skupin, 54, of Farmington Hills, pleaded no contest to one count of Larceny by Conversion and agreed to pay $30,000 in restitution to his victims. He entered his plea in front of Oakland County 6th Circuit Court Judge Wendy Potts.

An Oakland County jury convicted Skupin on four counts of possession of child sexually abusive materials on Friday, November 18. "I am pleased to see this case come to a close," said Schuette. "Today's plea will bring closure and more importantly restitution to the victims of Mr. Skupin's financial crimes."

Original Press Release: http://www.michigan.gov/ag/0,4534,7-164-46849_47203-397705--,00.html
Roseville Woman Sentenced in Mortgage Fraud Scheme, Will Pay More Than $60,000 in Restitution

LANSING – Michigan Attorney General Bill Schuette today announced that Asima Khan, of Roseville, was sentenced on one felony count of Larceny $1,000 - $20,000, for her role in running a mortgage modification scam across Oakland and Macomb Counties.

“We see this time and time again, good people who have fallen on difficult times are taken advantage of by an individual who sees nothing but dollar signs,” said Schuette. “I am pleased to see this case resolved, but I will continue to seek justice and restitution for victims of this type of crime.” …

Original Press Release: http://www.michigan.gov/ag/0,4534,7-164-46849_47203-396647--,00.html

MINNESOTA

United Auto Defense, a Seller of Vehicle “Extended Warranties,” Barred from Doing Business in Minnesota; Will Pay $270,000 in Financial Relief

Attorney General Lori Swanson has settled a lawsuit against United Auto Defense, LLC, a Missouri-based seller of extended vehicle warranties. The settlement bans United Auto Defense (“UAD”) and its owner, Gary D. Primm, Jr., from ever selling vehicle warranties in Minnesota again. The settlement also requires UAD to pay $270,000 in financial relief to Minnesota residents who purchased service contracts through UAD.

The Attorney General sued UAD in February 2016. The Attorney General alleged that UAD violated state consumer protection laws by, among other things, misrepresenting itself as a vehicle manufacturer or dealership in mailers sent to Minnesotans and deceiving consumers in follow-up phone calls about the coverage provided by the service contracts that UAD sold.

Original Press Release:  
http://www.ag.state.mn.us/Office/PressRelease/20161031UADSettlement.asp
Union County Woman Going to Prison for False Pretense

Attorney General Jim Hood announced today that a Blue Springs resident is going to prison for attempting to profit off the murder of a Panola County teenager by using the murder as a way to fraudulently collect donations.

Janet Lee Posey, 41, pleaded guilty Monday to one count of false pretense before Union County Circuit Court Judge John A. Gregory. Posey was sentenced to 10 years in prison, with three of those years suspended, leaving seven years to serve. Judge Gregory ordered her to serve three years of post-release supervision and pay $1,433 in court costs.

Posey was arrested in December 2014 by investigators with the Attorney General’s Consumer Protection Division and the Union County Sheriff’s Office following an investigation that revealed Posey had started a fraudulent internet scam after the murder of 19-year-old Jessica Chambers. The investigation revealed that Posey attempted ...

Original Press Release: http://www.ago.state.ms.us/releases/union-county-woman-going-to-prison-for-false-pretense/

ATTORNEY GENERAL JIM HOOD ANNOUNCES THAT EXPERIAN, TRANSUNION, AND EQUIFAX WILL OVERHAUL CREDIT REPORTING PRACTICES, AND END DECEPTIVE MARKETING IN MISSISSIPPI

Attorney General Jim Hood announced today that the nation’s three major credit reporting agencies will overhaul their business practices and two of the agencies will offer Mississippians unlimited access to free credit reports over the next three years in order to resolve the Attorney General’s investigation into the agencies’ mistakes on credit reports and deceptive marketing activities. The agencies were accused of putting their own interests ahead of those of Mississippi consumers by failing to properly verify debts and failing to delete paid or expired debts from credit reports.

The credit reporting agencies, Experian, TransUnion, and Equifax will pay the state a total of $7.175 million. Starting in November, Mississippi residents will be eligible to receive unlimited free credit reports for three years, one free FICO credit score every year for three years, in addition to other ...

AG Koster files suit against retailers for selling cosmetic contact lenses without prescriptions
Jefferson City, Mo. – Attorney General Chris Koster has filed suit against Celebrate the Season in St. Louis and Gotcha Costume Rental and Theatrical Supplies, LLC, in Columbia, for selling cosmetic contact lenses without a prescription. Under state and federal law, cosmetic contact lenses are not permitted to be sold without a valid prescription.

Investigators with the Consumer Protection Division inspected costume and novelty stores across the state in September and early October following a complaint by the Missouri Board of Optometry. Both Celebrate the Seasons and Gotcha Costume Rental and Theatrical Supplies sold contact lenses to investigators without a prescription. The office sent a letter to both stores, informing them of the prescription requirement and the potential harm that can result from using contact lenses without a prescription.


AG Koster files criminal charges against former Ray County funeral home owner for stealing and financial exploitation of the elderly
Jefferson City, Mo. – Attorney General Chris Koster announced today that he filed a criminal case against Toby L. Polley in Ray County for multiple counts of financial exploitation of the elderly, stealing and unlawful merchandising practices. Koster is assisting Ray County Prosecuting Attorney Camille Johnston in prosecuting Polley.

Koster alleges Polley stole from consumers by taking payment for pre-need funeral and burial services in advance, and then failing to maintain the money in accounts to provide services at a later date. Koster alleges that Polley made false promises to hold money in joint accounts, trust accounts, or insurance policies to provide the promised services.

NEBRASKA

11/4/2016
Attorney General Peterson Announces Settlement with Billing Aggregator to Prevent Unauthorized Charges on Phone Bills

Nebraska Attorney General Doug Peterson announced a settlement today with a company that allegedly placed unauthorized charges on consumers’ telephone bills using a practice called “cramming.”

The investigation revealed that Billing Services Group, based in San Antonio, Texas, billed itself as the “largest third-party billing and settlement clearinghouse for local exchange carriers (LECs),” which are local telephone companies. Billing Services Group entered into agreements with Nebraska LECs that allowed the company to process charges for third-party “enhanced services,” such as web hosting, directory listings and voicemail or email services.


NEVADA

10/27/2016
Attorney General Laxalt Announces Sentencing of Defendant in Mortgage Fraud Scam to 4-12 Years in Prison

Las Vegas, NV – Nevada Attorney General Adam Paul Laxalt announced that Franklin Marquez, 52, of California, was sentenced to 4-12 years for one count of Pattern of Mortgage Lending Fraud, a category “B” felony. Three remaining co-defendants, Maria Lorena Anzu, Jose Ben Rodriguez and Gilberto Navidad are set to stand trial on April 24, 2017.

Marquez and other defendants were alleged to have operated a criminal enterprise in Las Vegas called Majestic Group, LLC that defrauded Nevada homeowners using a foreclosure avoidance scheme. Defendant Marquez admitted that he promised clients that they could sell their underwater homes to Majestic Group at fair market value, and then Majestic Group would subsequently sell their homes back to the clients at affordable prices....

10/26/2016

**Attorney General Laxalt Announces Grand Jury Indictment Against Four Defendants for Fraudulent Tow Scam**

Las Vegas, NV – Today, Nevada Attorney General Adam Paul Laxalt announced that Robert Milk, 37, Curtis Acree, 53, Roosevelt Warren, 42, and Kenneth Johnson, 65, were indicted by the Clark County Grand Jury on twenty-one felony charges for operating a false tow scam operation out of Las Vegas. Milk was also indicted for seven additional felony counts. The defendants are charged with Offering False Document for Filing or Record, Obtaining Money or Property Under False Pretenses, Possession of Stolen Vehicle, Multiple Transactions Involving Fraud or Deceit and Racketeering. Milk is also charged with Possession of Personal Identifying Information to Establish False Status or Identity, Possession of Controlled Substance with Intent to Sell, and Perjury. All are felony offenses.

➢ Original Press Release:
   http://ag.nv.gov/News/PR/2016/Attorney_General_Laxalt_Announces_Grand_Jury_Indictment_Against_Four_Defendants_for_Fraudulent_Tow_Scam

10/11/2016

**Attorney General Laxalt Announces $300,000 Settlement with the Insurance Company of the State of Pennsylvania, a Subsidiary of AIG**

Carson City, NV - Today, Nevada Attorney General Adam Paul Laxalt announced that his Office reached a settlement with the Insurance Company of the State of Pennsylvania (ICSOP), a subsidiary of AIG. AIG is an insurance company that serves commercial, institutional and individual customers in more than 100 countries and jurisdictions. The settlement was unanimously approved by Nevada's Board of Examiners.

In 2013, the City and County of San Francisco filed a class action lawsuit alleging that individuals discharged from the Rawson-Neal Psychiatric Hospital received transportation subsidies enabling them to travel to cities in California, including San Francisco. Nevada denied all claims in that lawsuit, but eventually settled the matter after determining that-even if Nevada succeeded on all counts—simply defending the lawsuit would cost more than settling. ...

➢ Original Press Release:
NEW HAMPSHIRE

11/28/2016

Marshall A. Baldassarre, DMD, Cited for Violations of the Consumer Protection Act

Attorney General Joseph A. Foster today announced that his office brought an enforcement action under the Consumer Protection Act against Marshall A. Baldassarre, a Bedford dentist engaged in the practice of oral and maxillofacial surgery, for his unfair or deceptive business practices related to his repeated and unreasonable withholding of patient credit refunds. Dr. Baldassarre holds an active dental license issued by the New Hampshire Board of Dental Examiners. He has signed a consent judgment to resolve the Attorney General's complaint, which was approved by the Hillsborough County Superior Court.

Dr. Baldassarre has been contracted as a participating practice with a number of dental insurance companies, including Northeast Delta Dental, since 1982. Under the terms of the Delta Dental agreement, Dr. Baldassarre was only allowed to bill patients for the difference between the capped ...


NEW JERSEY

11/4/2016

Owner of Senior Care Company Sentenced to 12 Years in State Prison in Scheme to Steal Millions From Elderly Clients in Atlantic County

TRENTON – Attorney General Christopher S. Porrino announced that the owner of an in-home senior care company in Atlantic County was sentenced to state prison today for engaging in a scheme with her sister and a lawyer to steal millions of dollars from their elderly clients.

Jan Van Holt, 60, of Linwood, former owner of “A Better Choice,” a firm that offered elderly clients in-home care and legal financial planning, was sentenced today to 12 years in state prison, including 5 ½ years of parole ineligibility, by Superior Court Judge Bernard E. DeLury Jr. in Atlantic County. She pleaded guilty on April 12 to first-degree money laundering. Van Holt is jointly and severally liable for full restitution in an amount to be determined.

Prominent Ocean County Lawyer Who Hosted Radio Show on Elder Law Arrested on Charges He Stole Over $1.2 Million from Elderly Clients

TRENTON – Attorney General Christopher S. Porrino announced that prominent Ocean County attorney Robert Novy, who hosted a radio show and taught seminars on elder law, was arrested today on charges that he stole more than $1.2 million from elderly clients. The victims in some cases did not have close relatives to guard their interests or suffered from dementia.

Detectives of the Division of Criminal Justice arrested Novy, 65, of Brick, N.J., on charges of first-degree money laundering, second-degree theft by unlawful taking, and second-degree misapplication of entrusted property. Novy will be lodged in the Ocean County Jail with bail set at $500,000.


New Jersey Division of Consumer Affairs Files Action Against Florida Contractor and His Company for Allegedly Defrauding Seven Homeowners in Sandy Repairs, Including Three that Lost More than $314,000 in Federal Relief Funds

NEWARK – Attorney General Christopher S. Porrino and the Division of Consumer Affairs have filed an action against a Florida contractor who set up shop in New Jersey after Superstorm Sandy and allegedly defrauded seven homeowners who paid him to repair or replace their storm-damaged homes, including three that collectively lost more than $314,000 in federal relief funds.

Richard R. Woodard, of Clearwater, Florida, and his company, Willwood Builders Corporation (“Willwood Builders”), took initial payments from consumers for home improvements or new construction and then failed to begin work, performed work in a substandard manner, and/or abandoned unfinished projects without returning for weeks, months, or at all, according to a Complaint filed by the State in Ocean County Superior Court.

Ocean County Couple and Their Home Improvement Companies Charged With Stealing Hundreds of Thousands of Dollars By Bilking Homeowners Whose Homes Were Badly Damaged by Superstorm Sandy

TRENTON – Attorney General Christopher S. Porrino announced that an Ocean County couple has been arrested for allegedly stealing hundreds of thousands of dollars from more than 20 victims who hired the couple’s home improvement companies to repair or rebuild their homes after Superstorm Sandy. The victims paid the couple and their firms over $1 million, mostly in Sandy relief funds, but the couple allegedly diverted much of the money to gamble and buy luxury items, leaving homes in disrepair.

Jeffrey Colmyer, 41, and Tiffany Cimino, 43, who live together in Little Egg Harbor, N.J., were arrested yesterday by detectives of the Division of Criminal Justice on a range of charges, including theft, money laundering, and misconduct by a corporate official, all in the second degree, and failure to pay taxes and tax fraud, both third-degree offenses. They were lodged in the Ocean County Jail ...


NEW MEXICO

11/9/2016

AG Balderas Announces $32 Million Judgment against FastBucks to Benefit New Mexico Consumers

Santa Fe, NM – This morning, Attorney General Hector Balderas announced that a district court judge ruled New Mexicans should receive upwards of $32 million from FastBucks for their unfair and unconscionable business practices. First Judicial District Judge Francis J. Mathew ruled that FastBucks should pay the sum of $32,255,054.00 in restitution to the consumer borrowers who were taken advantage of by FastBucks' business practices. The suit was brought by the Office of the Attorney General for violations of New Mexico law. This judgment is the conclusion of the damages phase of the litigation. The initial decision deciding FastBucks had, in fact, violated New Mexico law was entered in 2012.

“This $32 million restitution judgment for New Mexico consumers is a great step toward eliminating predatory business practices that prey on New Mexico families,” said Attorney General Balderas. ...

Original Press Release:
Statement By A.G. Schneiderman On $25 Million Settlement Agreement Reached In Trump University Case

Attorney General Eric T. Schneiderman issued the following statement on the $25 million settlement agreement reached in Trump University case:

In 2013, my office sued Donald Trump for swindling thousands of innocent Americans out of millions of dollars through a scheme known as Trump University. Donald Trump fought us every step of the way, filing baseless charges and fruitless appeals and refusing to settle for even modest amounts of compensation for the victims of his phony university. Today, that all changes. Today's $25 million settlement agreement is a stunning reversal by Donald Trump and a major victory for the over 6,000 victims of his fraudulent university.

I am pleased that under the terms of this settlement, every victim will receive restitution and that Donald Trump will pay up to $1 million in penalties to the State of New York for violating state education laws. The victims of Trump University have waited years for today's result and I am pleased that their patience--and persistence--will be rewarded by this $25 million settlement.


A.G. Schneiderman Announces Cease And Desist Letter Sent To Owner Of Paving Company For Allegedly Defrauding Consumers

WATERTOWN – Attorney General Eric T. Schneiderman’s Watertown Regional Office announced today they have issued a cease and desist letter to Tri-State Paving, ordering the company to stop doing work without contracts that comply with state law. In complaints received by the Attorney General's office, consumers state they were charged excessive amounts for paving work that was never agreed-upon, and that no contract compliant with state law was ever used.

11/10/2016

A.G. Schneiderman Announces Settlements With Vietnam Veteran’s Charity And Its Founder For Squandering Millions In Donations

NEW YORK – Attorney General Eric T. Schneiderman today announced that his office has reached settlements resolving investigations into the National Vietnam Veterans Foundation, which also operated as the American Veteran Support Foundation (the “NVVF”), its former President and Founder, John Thomas Burch, Jr. (“Burch”), and its Vice President, David Kaufman (“Kaufman”). NVVF has operated nationwide since 1992 and began soliciting in New York in approximately 2008. By 2014, NVVF was collecting nearly $9 million nationwide from its fundraising campaigns, soliciting small dollar donations from the public through direct mail and phone calls -- purportedly to help Vietnam Veterans. Nearly all of the money raised through its direct mail campaigns was instead used to pay its fundraisers. For example, in 2014, $7.7 million of the $8.6 million raised was used to pay NVVF’s fundraisers. ...


11/10/2016

A.G. Schneiderman Announces Temporary Restraining Order Against Albany Pastor And Wife For Allegedly Transferring $100K From Charity To Themselves

ALBANY - Attorney General Eric T. Schneiderman today announced that his office has obtained a temporary restraining order against Pastor Edward Smart and his wife, Marion Smart. The order prohibits them from transferring or obtaining any funds of Israel Community Service Program, Inc. (“ICSP”), a charitable organization formed to provide child care and other programs to the Albany community. The order, signed by Supreme Court Justice Hon. Christina L. Ryba, was issued based on evidence suggesting that Pastor Smart wrote checks totaling more than $100,000 from ICSP’s accounts to himself and his wife.

“Charitable assets should not personally benefit those charged with their management,” said Attorney General Schneiderman. “The amounts transferred by Pastor Smart to himself and his wife, allegedly without approval by the organization’s board, deprived the community of funds intended ...

A.G. Schneiderman Announces Temporary Restraining Order Against Rochester Travel Agent For Allegedly Deceiving Clients, Violating Agreement

ROCHESTER – Attorney General Eric T. Schneiderman today announced a lawsuit against Constance Catanise and her travel agency, Escapes, Inc., alleging that she has engaged in deceptive business practices and violated an agreement she entered into with the Attorney General’s Office earlier this year barring her from operating as a travel consultant.

According to the court papers, the Attorney General’s Office had received complaints from consumers who paid Catanise for overseas plane tickets, hotels and tours, only to discover that Catanise had not made some of the bookings. In one instance, an alumni group from McQuaid Jesuit High School paid Catanise for a tour or World War I and II battlefields in France. When they arrived at the Toronto Airport, however, they learned that Catanise had not booked the flights, and most of the group returned home rather than rely on Catanise and risk …


A.G. Schneiderman Obtains $1.6 Million Settlement With Queens Company That Targeted Hispanic Homeowners In Fraudulent Mortgage Rescue Scheme

NEW YORK – Attorney General Eric T. Schneiderman today announced a $1.6 million settlement with Queens-based American Hope Group, Inc. and its principal, Mauricio Villamarin Martinez (collectively “American Hope Group”), following an investigation into a fraudulent mortgage rescue scheme that preyed upon financially vulnerable Hispanic homeowners who were desperate to save their homes from foreclosure. The AG’s investigation found that American Hope Group collected millions of dollars in monthly fees from consumers, yet routinely failed to deliver on its promises to provide substantial relief from unaffordable mortgage payments through loan modifications and other forms of foreclosure prevention. The settlement, a Consent Order, concludes the AG’s investigation into American Hope Group’s mortgage rescue scheme.

A.G. Schneiderman Files Lawsuit Against Property Management Company And Landlords For Harassing Tenants In Chinatown And The Lower East Side

NEW YORK – Attorney General Eric T. Schneiderman today filed a lawsuit against Marolda Properties, Inc., (“Marolda Properties”), a Manhattan property management company that manages rent-regulated apartment buildings in the New York City metropolitan area including in Chinatown and the Lower East Side, and affiliated landlords that own the buildings. The lawsuit is the result of a joint investigation between the Attorney General’s Office and Governor Andrew M. Cuomo’s Tenant Protection Unit.

The lawsuit, filed in New York Supreme Court, alleges that Marolda Properties and the other defendants improperly sought to evict rent-regulated tenants by serving notices and bringing proceedings in housing court falsely alleging that the tenants no longer occupied the premises as their primary residence. The lawsuit also alleges that defendants refused to renew tenants’ legally-required leases, ...


A.G. Schneiderman Announces $12 Million Settlement With Draftkings And FanDuel

NEW YORK—Attorney General Eric T. Schneiderman announced that his office has reached separate $6 million settlements – for a total of $12 million in penalties and costs - with DraftKings and FanDuel, resolving lawsuits alleging false and deceptive advertising practices by the companies. The settlement agreements impose the highest New York penalty awards for deceptive advertising in recent memory. The agreements also require sweeping reforms to the companies’ marketing, including clear disclosure of terms and conditions for marketing promotions, expected winnings, and expected performance in the online contests, as well as resources for players at risk for compulsive gaming disorders, including addiction.


A.G. Schneiderman Announces Temporary Restraining Order Against Home Improvement Contractor For Allegedly Scamming Consumers

BUFFALO – Attorney General Eric T. Schneiderman today announced a lawsuit against Phillip Fox, a Western New York home improvement contractor who scammed dozens of consumers.
According to the court papers, Fox, collected thousands of dollars for home repairs that he never provided. The petition also alleges that when Fox did home improvement, his work was shoddy and that, when targeting the elderly, he charged outrageous prices for work that did not need to be done.

“To defraud hardworking New Yorkers who are seeking a home improvement contractor is illegal and wrong, but to deliberately target the elderly when scamming consumers is reprehensible,” Attorney General Schneiderman said. “We will keep working to ensure that fraudulent home contractors who prey on unsuspecting New Yorkers will be held accountable.” In one case, Fox preyed on two elderly sisters, one 85 years old ...

10/03/2016
New York Attorney General’s Office Issues Notice Of Violation Directing Trump Foundation To Cease And Desist New York Solicitations

On Friday, September 30, the Office of New York State Attorney General Eric Schneiderman issued a Notice of Violation to the Donald J. Trump Foundation (“Trump Foundation”) and directed the entity to cease and desist from soliciting contributions in New York.

The notice states that the Trump Foundation “is in violation of section 172 of Article 7-A New York’s Executive Law, which requires charitable organizations that solicit contributions in New York State to register with the Charities Bureau and to provide annual financial reports and annual audited financial statements.” Despite failing to register pursuant to Article 7-A, the Trump Foundation solicited contributions in New York State earlier this year, in violation of New York law.

The notice directs the Trump Foundation to “immediately cease soliciting contributions or engaging in other fundraising activities in New York” and “to provide the [AG’s] Charities Bureau with the information specified in Section 172 within fifteen (15) days” of receiving the notice.

11/9/2016
$445,000 in refunds on the way to NC victims of pyramid scheme, AG says
Raleigh: North Carolinians who lost money to pyramid scheme Fortune Hi-Tech Marketing will get a total of more than $445,000 in refund checks, Attorney General Roy Cooper said Wednesday. Checks are being mailed by the Federal Trade Commission to 33,621 North Carolina consumers who bought into the scheme but lost money.

“North Carolina consumers were wronged by false promises of high earnings while only those at the top made a profit,” Cooper said. “We brought down this pyramid scheme and now victims are getting some money back.”


10/24/2016
AG Cooper subpoenas rental car company for gouging
Raleigh: Attorney General Roy Cooper wants answers from a rental car business that allegedly price gouged consumers in the wake of Hurricane Matthew. “Communities across North Carolina are working to recover from this devastating storm and we need businesses to pull together to help, not try to make a fast buck,” Cooper warned. “If you spot possible price gouging, report it to my office immediately.”

Cooper’s Consumer Protection Division issued a subpoena to the rental car company after getting eight complaints of possible price gouging on rental cars from consumers across North Carolina this month.


10/11/2016
Phony appliance repair scheme must stop taking customers’ money, AG says
Raleigh: A couple who charged consumers in Charlotte and the Triad hundreds of dollars for fraudulent appliance repairs is now barred from business and may owe refunds, Attorney General Roy Cooper said today.

“Consumers paid good money and still didn’t get their appliances fixed,” Cooper said. “Avoid similar problems by being skeptical of any business that asks you to pay for repairs in full up front.”
At Cooper’s request, Wake County Superior Court Judge Robert H. Hobgood granted a court order against Crystal Spear and Ronnie Griffin of Lexington for collecting payments from consumers to repair appliances, then failing to complete the work or return the money.


10/11/2016
AG Cooper investigating price gouging reports following Hurricane Matthew
Raleigh: Attorney General Roy Cooper announced Tuesday that his office is investigating two retailers for potential price gouging following Hurricane Matthew. Cooper’s office issued subpoenas today to a store in Fayetteville for reportedly charging $29 for a case of 24 bottles of water and a gas station in Rocky Mount for reportedly charging $4.47 a gallon for gas.

“North Carolina families and communities still reeling from Matthew don’t deserve to get gouged,” Cooper said. “If you see people using this disaster to make an unfair profit, let my office know.”


10/3/2016
Charlotte Furniture barred from taking orders, money, AG Cooper says
Raleigh: A furniture company that repeatedly took money upfront but left consumers without furniture is temporarily banned from operating in North Carolina, Attorney General Roy Cooper announced today.

“It’s simple. If you pay a store for merchandise, they should give you what you paid for or refund your money,” Cooper said. “Pocketing payments and failing to deliver on promises is no way to do business.”
Under a temporary restraining order signed today by Wake County Superior Court Judge R. Allen Baddour, Charlotte Furniture and its owners, Adel and Nader Judeh, are banned from the furniture business in North Carolina. The defendants are also prohibited from advertising or collecting payment from North Carolina consumers for furniture and are barred for accepting advance payments for furniture in the state.


NORTH DAKOTA

11/23/2016
CEASE AND DESIST ORDER ISSUED AGAINST ELITE SUPPLIES
BISMARCK, ND - Attorney General Wayne Stenehjem today issued a Cease and Desist Order, banning Krystle Lester and her business Elite Supplies, of Anaheim, California, from doing business in the state due to alleged violations of the consumer fraud law and refusal to cooperate with the Attorney General’s investigation.

Krystle Lester, doing business as Elite Supplies, is believed to be engaged in a so-called “invoice scam” or “toner pirate scheme” designed to deceive businesses into overpaying for copier toner that they never ordered or received. As part of a scheme to collect money, Lester sends unsolicited invoices to business requesting payment for toner that the business has never ordered or received. The Attorney General has received complaints indicating that Lester has specifically targeted libraries in the state. …


OHIO

11/4/2016
Attorney General DeWine Takes Action Against California Foreclosure Rescue Firm for Deceiving Ohioans
(MANSFIELD, Ohio)—Ohio Attorney General Mike DeWine today announced a lawsuit against a California-based firm accused of misleading consumers and taking upfront payments for mortgage-relief services it failed to provide.

The lawsuit accuses Core Advisory Group LLC and its operator, Trung (“Mike”) Luong of Newport Beach, of violating Ohio consumer protection laws.
“When people are worried about their mortgage, they’re focused on doing what they need to do to keep their home,” Attorney General DeWine said. “Unfortunately, there are some operators who take advantage of them. They make false promises and they take the person’s money without providing any real help, which is what we found in this case.”


10/28/2016

**Home Improvement Operators Accused of Repeat Violations**

(COLUMBUS, Ohio)—Ohio Attorney General Mike DeWine today announced a lawsuit and motion for temporary restraining order against an Ohio home improvement operation accused of failing to deliver promised services and deceiving consumers by changing business names and moving from northeast Ohio to Columbus.

Thomas Carr, Juanita Carr, and their current company, Affordable Fence and Construction LLC, are accused of violating Ohio’s consumer protection laws.


10/28/2016

**Lawsuit Seeks Reimbursement from Chillicothe Car Seller Following Title Problems**

(CHILLICOTHE, Ohio)—Ohio Attorney General Mike DeWine today announced a lawsuit against a used car dealership accused of failing to deliver motor vehicle titles to consumers.

The lawsuit seeks reimbursement from Midwest Motoplex and its owner Tracy J. Bettendorf for harmed consumers and for the state’s Title Defect Rescission Fund, which helps reimburse consumers when a dealership fails to provide a title as required by law.

According to the lawsuit, Midwest Motoplex last operated at 98 Consumer Center Drive in Chillicothe. In the past two years, more than two dozen consumers have filed complaints against it. Most of the complaints involved title problems.


10/19/2016
Cincinnati-Area Man Indicted for Running Roofing Scam

(COLUMBUS, Ohio)—Ohio Attorney General Mike DeWine today announced the indictment of a Cincinnati-area man accused of running a roofing scam affecting dozens of consumers in southwest Ohio.

David M. Nelson, 36, of Norwood, was indicted by a Hamilton County grand jury on 30 counts including one count of engaging in a pattern of corrupt activity, 24 counts of theft, and five counts of insurance fraud.

Nelson is accused of accepting money for roof work he never provided. He allegedly contacted consumers at their homes, claimed their roofs were damaged, and encouraged them to file an insurance claim. After accepting consumers’ insurance money, he allegedly failed to provide any services in return. Nelson also is accused of damaging consumers’ roofs to create the appearance of storm damage and providing false insurance claim information.


10/4/2016

Lawsuit Seeks Reimbursement from Cleveland Used Car Seller Accused of Failing to Provide Titles

(CLEVELAND)—Ohio Attorney General Mike DeWine today announced a lawsuit against a Cleveland used car dealership accused of failing to deliver motor vehicle titles to customers according to Ohio law. Ohio Auto Credit LLC and its owners are accused of violating Ohio’s Consumer Sales Practices Act by failing to deliver titles and making misrepresentations to consumers.

According to the lawsuit, Ohio Auto Credit last operated at 15150 Lorain Ave. in Cleveland. In the past year, the Ohio Attorney General’s Office received 12 complaints against the dealership. Many of the complaints involved title problems, with consumers saying they failed to receive a title after buying a vehicle from Ohio Auto Credit.


OKLAHOMA

11/1/2016
AG Pruitt Files Multiple Embezzlement Charges Against Tulsa Lawyer

OKLAHOMA CITY – Oklahoma Attorney General Scott Pruitt on Tuesday announced embezzlement charges against attorney Robert John Nichols of Tulsa.

Nichols, 67, is alleged to have embezzled an excess of $200,000 from five different clients he represented in cases involving the condemnation of property. In each case, Nichols is believed to have used funds intended to go to trust accounts for each victim for unintended purposes. Additionally, Nichols is accused of forging the signature and depositing a check made out to one of his clients.

“It’s disheartening to hear of allegations against an attorney who clients entrust,” Attorney General Pruitt said. “My office has a responsibility to uphold the law, and when it is being broken, we will prosecute and make sure bad actors are not getting away with fraudulent activity.”

Original Press Release:
https://www.ok.gov/triton/modules/newsroom/newsroom_article.php?id=258&article_id=26609

10/4/2016

Attorney General Pruitt Charges OKC Contractor with Embezzlement

OKLAHOMA CITY – Attorney General Scott Pruitt on Tuesday filed embezzlement charges against an Oklahoma City contractor for failing to install a safe room, allegedly using the money for other purposes instead.

After receiving a complaint through the Attorney General’s Consumer Protection Unit, an investigation proved Taylor Clark Wheeler, 33, through his business Republic Roofing and Remodeling, entered into a contract with an Oklahoma City resident to install a safe room. Wheeler charged the resident $15,500 for the safe room as well as $7,100 for labor costs and additional materials needed to remodel the residence in order to accommodate the safe room.

Original Press Release:
https://www.ok.gov/triton/modules/newsroom/newsroom_article.php?id=258&article_id=25986

PENNSYLVANIA

11/4/2016
Attorney General Beemer announces lawsuit against Grane nursing home chain
HARRISBURG — Attorney General Bruce R. Beemer today announced the filing of a consumer protection lawsuit against a chain of skilled nursing facilities accused of misleading consumers by failing to provide basic services to elderly and vulnerable residents. The lawsuit filed against Pittsburgh-based Grane Healthcare Co., which manages and operates 12 skilled nursing facilities statewide, is the result of an investigation by the Office of Attorney General's Health Care Section. Eleven of the Grane facilities in Pennsylvania are named in the lawsuit.

The lawsuit alleges that Grane violated the Commonwealth's Unfair Trade Practices and Consumer Protection Law by making several misrepresentations on its websites and in marketing materials regarding facility staffing and the basic care provided to the residents of its facilities. Grane is also accused of the pervasive, chain-wide practice...

➢ Original Press Release:
   https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2811

11/3/2016
Attorney General Beemer: Settlement with Philadelphia used car dealership includes restitution for consumers
HARRISBURG — Attorney General Bruce R. Beemer today announced the Office of Attorney General has reached a settlement with a Philadelphia used car dealership, and its owner, alleged to have engaged in deceptive business practices, which included failing to honor coupons that advertised discounts on vehicle purchases.

The settlement reached with Haim Shmilovitch, and his business Eden Vehicle Marketing, Inc., was the result of an investigation by the Office of Attorney General's Bureau of Consumer Protection. The business is commonly known as Eden Auto Sales.

➢ Original Press Release:
   https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2809
10/17/2016
**Attorney General Beemer reminds consumers to cash restitution checks from settlements with electric generation suppliers**

HARRISBURG — Attorney General Bruce R. Beemer and Acting Consumer Advocate Tanya J. McCloskey today issued a reminder that the deadline is approaching for eligible consumers to cash restitution checks related to three settlements reached with electric generation suppliers. The settlements alleged that the suppliers deceptively marketed their variable electric rates to Pennsylvania consumers who experienced price spikes during the winter of 2014. The settlements were the result of legal actions initiated by the Office of Attorney General’s Bureau of Consumer Protection and the Office of Consumer Advocate.

"It is important for consumers to recognize that their restitution checks will expire six months after the date they were issued," Attorney General Beemer said. "We want to ensure that Pennsylvanians affected by this alleged conduct obtain the restitution they are entitled to."

PaG&E ...

➢ Original Press Release:
  [https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2763](https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2763)

10/11/2016
**Attorney General's office files lawsuit against woman accused of deceptively soliciting Philadelphia consumers**

HARRISBURG — Attorney General Bruce R. Beemer today announced the filing of a consumer protection lawsuit against Wanda D. Rogers, a woman accused of misleading homeowners in Philadelphia by sending them solicitation letters that gave the appearance she was connected with the City of Philadelphia's Department of Records.

The letters, which also allegedly listed fictitious government officials, sought payment for the processing of deeds for homeowners' new homes.

"These deceptive practices and misrepresentations caused confusion and led consumers to believe they were dealing with the City of Philadelphia," Attorney General Beemer said. "The law requires companies making solicitations of this nature to state clearly that they are not associated with a government agency."

➢ Original Press Release:
  [https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2760](https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2760)
AG Paxton Takes Legal Action to Stop an Austin Business from Duping Vulnerable Texans

Texas Attorney General Ken Paxton today announced that an enforcement action has been filed in the Travis County District Court to prevent a business run by Jean Perez from violating the Texas Deceptive Trade Practices-Consumer Protection Act (DTPA).

According to state investigators, Austin-based Gestoria Bolaños & Asociados deceived Spanish-speaking consumers in Texas by making misleading claims that it was authorized to obtain the customs and title documents necessary for exporting vehicles to Mexico. Perez’s company charged an upfront fee of $1,750 in cash for its services, required the vehicle titles, and frequently demanded additional payments from consumers, even though it failed to perform any of its advertised or promised services. When customers complained, the business accused them of breaching their contract and refused to refund money or return the vehicle titles.


AG Paxton Settles Suit with App Company Collecting Children’s Information

Attorney General Ken Paxton announced a settlement with California app developer Juxta Labs, Inc. for violating the Texas Deceptive Trade Practices-Consumer Protection Act. Juxta Labs signed an Assurance of Voluntary Compliance (AVC), approved by the Travis Country District Court, agreeing not to collect personal information from any child under the age of 13. The AVC prohibits the company from allowing children to use their apps if those apps are not compliant with the Children’s Online Privacy Protection Act.

Under the terms of the AVC, Juxta Labs must screen enrollments to ensure children under 13 cannot use their services if personal information is being collected, delete all personal information of children under 13 it has custody or control of, and pay $30,000 to the State of Texas.

10/18/2016

Alan Dean McKee Pleads Guilty In Connection With Scam Impersonating LDS Church Officials

SALT LAKE CITY October 18, 2016 – The Utah Attorney General’s Mortgage and Fraud Unit announced today that Alan McKee of Benjamin has pleaded guilty to one count of a Pattern of Unlawful Activity and one count of Theft, all Second Degree Felonies. A separate case against Gary Anderson of Springville is ongoing.

According to charging documents, Anderson and McKee were previously accused of defrauding Ames Construction and two individuals out of approximately $1.2 million between July 2013 and October 2015. McKee is alleged to have sent letters to Ames Construction purporting to come from the Church of Jesus Christ of Latter-day Saints (“LDS Church”) in connection with the construction of a building site in Elberta, Utah. Anderson is alleged to have assisted by making at least one phone call posing as an LDS Church official to an Ames Construction employee.


VERMONT

11/22/2016

Vermont Attorney General Announces Settlement With “Member Choice” Discount Travel Club Operator And Marketers, And Sues Deceptive Travel Club Sellers For Consumer Protection Violations

Thirty-two Vermonters who were deceived into purchasing nearly worthless memberships in the “Member Choice” travel club will receive partial refunds from some of the companies involved in the unfair and deceptive membership sales. The Vermonters paid a total of nearly $130,000 to become members of the discount travel club, which was claimed to offer steep discounts on travel services. The travel club ultimately provided its Vermont members a total of less than $3,000 in discounts.

“Vermont law provides strong protections for consumers who are being offered memberships in discount programs,” said Attorney General William Sorrell. “Those who trick Vermonters into overpaying for services of limited value will be held accountable for violating our law.”

11/22/2016

**Fee Scheme Using Online Obituaries Halted By Attorney General**

Today the State of Vermont settled all claims with two companies and an individual who were bilking consumers who donated to charities through online obituaries. Vermont will receive over $15,000 in penalties for violations of Vermont’s laws on charitable solicitations and consumer protection.

Donatic and Givalike, and principal Benjamin Katz of San Diego, California, contracted with online obituary sites to insert a “plug-in” where an obituary mentions a donation to a nonprofit in lieu of sending flowers to the loved ones of a deceased individual. The plug-in directs mourners to Givalike’s website, rather than to the deceased’s chosen nonprofit’s website. As a result of this scheme, 251 Vermonters paid unnecessary fees ranging from $1 to $35.50 per donation.


11/18/2016

**Attorney General Settles With Student Loan Debt Consolidator**

In a settlement announced today, United Advisors Group LLC (“UAG”) agreed to stop doing business in Vermont, to reimburse $5,000 to Vermont residents who paid for their services, and to pay a penalty of $6,500. The company purported to aid consumers in consolidating their student loans in order to reduce their debt.

Rather than aid Vermonters in lowering their debt, UAG entered some consumers into debt deferral programs and collected fees while the debt grew, unbeknownst to the consumers. UAG’s behavior violated Vermont’s Consumer Protection Act. UAG also did business in Vermont without obtaining a Debt Adjuster License or the necessary bond.

**10/14/2016**

**Farmer Pays For Selling “Vermont” Meat When Pigs Not Raised In Vermont**

Buyers of meat from Gregory Finch’s Vermont’s Family Farm in Enosburg Falls thought they were buying anti-biotic free Vermont pork, and consumers paid a premium price for it. But Finch cannot prove his pigs were born and raised in Vermont or were anti-biotic free for their entire lives – and the Attorney General’s evidence indicates otherwise. So Finch, who is no longer farming or living in Vermont, and the Attorney General have settled for a civil penalty of over $140,000. “Vermonters are willing to pay extra for meat raised in Vermont. We won’t let their money pad the pockets of those making fake claims,” said Attorney General Bill Sorrell.


---

**VIRGINIA**

**11/30/2016**

**CONSUMER PROTECTION SETTLEMENT REACHED WITH DONORWORX, INC.**

RICHMOND (November 30, 2016) - Attorney General Mark R. Herring's reorganized Consumer Protection Section has reached a settlement with Donorworx, Inc., a professional fundraiser, to resolve alleged violations of the Virginia Solicitation of Contributions Law (VSOC Law) which governs the solicitation of contributions by, or on behalf of, charitable organizations and includes certain registration, reporting, and disclosure requirements.

The Commonwealth’s complaint, filed in the Circuit Court for Arlington County, alleged that Donorworx violated the VSOC Law by failing to submit required filings prior to conducting a face-to-face fundraising campaign on behalf of a charitable organization at the Pentagon Mall in Arlington County. The documents that were not timely filed with the Virginia Department of Agriculture and Consumer Services' Office of Charitable and Regulatory programs include ...


---

**WASHINGTON**

**11/16/2016**

**AG investigation leads to $1.1M in consumer relief in CHI Franciscan billing probe**

OLYMPIA — Attorney General Bob Ferguson today announced that CHI Franciscan will provide more than $1.1 million in healthcare cost relief after an investigation into mislabeled charges and inadequate fee disclosures.
CHI Franciscan operates three urgent care clinics in Kitsap County that charge a facility fee due to their affiliation with the hospital. The clinics must disclose the fee to patients through a variety of methods, including identification on the clinic’s website, signage at the clinic and a notice provided to patients before they receive care.

The Attorney General pursued an investigation based on evidence that Franciscan did not meet its obligation to disclose this fee.


11/1/2016
AG: Former loan officer charged illegal fees, offered no actual help with loans, bankruptcy
SEATTLE — Attorney General Bob Ferguson today filed a consumer protection lawsuit against a former Whatcom County loan officer, accusing her of offering home loan modification and bankruptcy services, neither of which she is qualified for under state law, then charging hefty and illegal up-front fees, while providing little or no help.

The AG accused Miriam Lozano and her business, Primera Services, of violating the Washington Consumer Protection Act in a complaint filed today in King County Superior Court. Lozano targeted the Latino community via word-of-mouth promotion and Spanish-language business cards promising a variety of services, including: “Prevención de embargo Bancario”; “Negociación de deudas”; “Detención de incautación de bienes”; and “Preparación de impuestos pasados.”


10/10/2016
Judge rules 5-Hour ENERGY® violated Consumer Protection Act
SEATTLE — The makers of 5-hour ENERGY® violated the state’s Consumer Protection Act by making claims in thousands of ads that were not backed by scientific evidence, according to a ruling filed in King County Superior Court today.

After a three week trial that ended in early September, King County Superior Court Judge Beth Andrus agreed with Attorney General Bob Ferguson that advertising campaigns and press releases by the companies that produce 5-hour ENERGY® — Living Essentials LLC and Innovation Ventures LLC — were misleading.

Multistate Cases

11/10/2016
AG Jepsen, Adobe Reach Agreement Resolving Connecticut-Led Multistate Investigation into Unauthorized Access to Servers
Attorney General George Jepsen joined 14 other state attorneys general today in announcing a $1 million data breach settlement with the software and technology company Adobe Systems, Inc. The settlement resolves an investigation into the 2013 breach of certain Adobe servers, including servers containing the personal information of approximately 552,000 residents of the participating states.

Connecticut was the lead state in the investigation of the unauthorized server access. The states alleged that Adobe did not use reasonable security measures to protect its systems from an attack or have proper measures in place to immediately detect an attack. The agreement resolves consumer protection and privacy claims against the company and requires Adobe to implement new policies and practices to prevent future similar breaches. The state's overall share of this settlement is $135,095.71. Of ...


11/2/2016
A.G. Schneiderman And Consumer Financial Protection Bureau File Lawsuit Against Illegal Nationwide Debt Collection Scheme
BUFFALO – Attorney General Eric T. Schneiderman today announced that, in partnership with the federal Consumer Financial Protection Bureau (CFPB), his office filed a lawsuit in a federal district court against the leaders of a massive debt collection scheme based out of Buffalo. The lawsuit alleges Douglas MacKinnon and Mark Gray operate a network of dozens of fly-by-night collection shops that harass, threaten, and deceive millions of consumers across the nation into paying inflated debts or amounts they may not owe. Attorney General Schneiderman and the CFPB are seeking to shut down this illegal operation and to obtain compensation for victims and a civil penalty against the companies and partners.

10/27/2016

Arizona Joins $41.2M Multistate Settlement with Hyundai, Kia over Fuel Economy Claims

PHOENIX - Attorney General Mark Brnovich announced the State of Arizona will receive $1,055,842.12 as part of a multistate settlement with automakers Hyundai and Kia to resolve claims that the companies misrepresented the mileage and fuel economy ratings for some of their model year 2011, 2012, and 2013 vehicles.

The $41.2 million settlement between the 33 states and the District of Columbia and the Hyundai Motor Company, Hyundai Motor America, Kia Motors Corporation, Inc., and Kia Motors America, Inc. concludes a multistate investigation into the companies' business practices relating to fuel economy estimate adjustments that occurred at a time when gasoline prices in the United States were especially high. Arizona’s settlement is awaiting court approval.


10/20/2016


Omnicare, Inc. – an institutional pharmacy that provides pharmaceuticals and related pharmacy services to long-term care and chronic care facilities – has agreed to a $28.125 million settlement with the federal government and several states to resolve civil allegations that the company conspired with drug manufacturer Abbott Laboratories through a number of disguised kickback arrangements to increase overall utilization of the drug Depakote, Attorney General George Jepsen, Chief State's Attorney Kevin Kane and Department of Social Services Commissioner Roderick L. Bremby said today.

Depakote is approved by the federal Food and Drug Administration for treatment of seizure disorders and mania associated with bipolar disorder and to prevent migraine headaches. The states and federal government alleged that, from January 2001 to December 2008, Omnicare knowingly solicited and received ...

10/19/2016

**AG Brnovich Urges US Supreme Court to Protect Consumers From Unfair Class Action Settlements**

PHOENIX - Today, Attorney General Brnovich, leading a coalition of seventeen Attorneys General from across the country, filed a brief in the United States Supreme Court as part of his continuing effort to protect Arizona consumers from abuse in the class action settlement process. In the brief, Attorney General Brnovich asked the Supreme Court to create a nationwide rule that class action attorneys’ fees in common-fund cash settlements can only be based off the amount actually paid out to the consumers in the class. This rule will help make sure that the class action process works to the benefit of consumers by ensuring that class action lawyers get paid only in direct proportion to the amount consumers actually get paid.

The brief was filed as a “friend of the court” under Attorney General Brnovich’s statutory authority to speak on behalf of Arizonans covered by federal class action ...


10/14/2016

**AG Zoeller, Department of Financial Institutions return $1M to consumers from Western Sky, CashCall settlement for unlawful lending**

INDIANAPOLIS, IND.– Indiana Attorney General Greg Zoeller and the Indiana Department of Financial Institutions (DFI) have reached a settlement agreement with Western Sky Financial LLC, CashCall, Inc., WS Funding, LLC, Delbert Services Corporation, and John Paul Reddam affecting more than 10,000 Indiana residents. A settlement administrator, at Defendants' expense, will mail refund checks to the consumers identified in the settlement. Borrowers affected by the unlawful lending will also see their loan balances canceled and any information on the loans removed from their credit reports.

The Attorney General and DFI reached a settlement agreement with the companies to resolve allegations that they made, serviced, and collected high-cost loans in violation of the Indiana Deceptive Consumer Sales Act and the Indiana Uniform Consumer Credit Code. As part of the settlement, the companies are ...

10/7/2016
$1,009,000 Restitution for AZ Military Service Members Defrauded

PHOENIX - Arizona Attorney General Mark Brnovich along with 49 other State Attorneys General announce a settlement with USA Discounters, a company accused of defrauding military service members all across the country.

Under the settlement, Virginia-based USA Discounters will pay $95.9 million in restitution, primarily benefiting active and veteran service members. The settlement will impact approximately 400 Arizonans who will receive $1,009,000 in restitution.

USA Discounters, also doing business as USA Living and Fletcher’s Jewelers, sold furniture, appliances, televisions, computers, smart phones, jewelry, and other consumer goods principally on credit. USA Discounters typically marketed to members of the military and veterans, advertising that military, veterans, and government employees would never be denied credit for goods purchased from the retailer. There were 24 stores ...


10/3/2016
Georgia Reaches Landmark Kickback Settlement With Tenet Healthcare Corp. – Over $100 Million Returned To Georgia Taxpayers

ATLANTA, GA- Today, Attorney General Sam Olens joined the United States in announcing that Tenet Healthcare Corporation (Tenet), and several of its subsidiaries will pay more than $513 million to resolve criminal charges and civil claims relating to a scheme to pay kickbacks in return for patient referrals. Specifically, Tenet will pay $368 million to settle civil allegations that Tenet paid kickbacks to Clinica de la Mama, an obstetric clinic serving primarily undocumented Hispanic women, and related entities to induce the referral of those patients to its hospitals for labor and delivery and therefore, submitted false claims to the Georgia Medicaid program. Certain of these patients were eligible for Medicaid while others qualified for Emergency Medical Assistance, a Medicaid program providing coverage for emergency conditions, including childbirth for undocumented immigrants. ...

10/3/2016

USA Discounters Agrees to Forgive Debt, Provide $215,000 in Relief Primarily to Iowa Service Members and Veterans

DES MOINES – Bankrupt Virginia-based national retailer USA Discounters, which targeted active duty service members and veterans with allegedly deceptive sales and lending practices, will provide nearly $96 million in relief to those consumers in an agreement with all of the nation’s state attorneys general.

The agreement, approved Thursday by a federal bankruptcy judge in Delaware, includes approximately $215,000 in relief to 94 Iowa consumers.


Medicaid Fraud

KANSAS

11/29/2016

Topeka Woman Pleads Guilty To Health Care Fraud Involving Developmentally Disabled Adults

TOPEKA, KAN. – (November 29, 2016) – A Topeka woman has pleaded guilty to billing Medicaid for services she did not provide to developmentally disabled adult patients, U.S. Attorney Tom Beall and Kansas Attorney General Derek Schmidt said Tuesday.

Kristina Hansel, 45, Topeka, Kan., pleaded guilty Nov. 28 in federal court in Topeka to one count of conspiracy to commit health care fraud. The crimes occurred while Hansel owned and operated Achieve Services, LLC, which was licensed to provide day and residential services to developmentally disabled adults.

MASSACHUSETTS

10/5/2016
Transportation Company Criminally Charged with Perpetrating $19 Million False Billing Scheme

BOSTON – A transportation company, its owner, and three managers have been indicted in connection with an alleged scheme involving $19 million in false claims billed to the state’s Medicaid program (MassHealth), Attorney General Maura Healey announced today. The company primarily provided MassHealth members with non-emergency transportation services to methadone clinics. The AG’s Office alleges that between April 2011 and September 2015, Westminster-based Rite Way LLC (Rite Way) fraudulently and repeatedly billed MassHealth for transportation services that were never provided, including claims for individuals who were hospitalized in inpatient settings, no longer used the company’s services, or were deceased on the claimed dates of service.


MISSOURI

10/21/2016
AG Koster obtains additional $1.6 million for Missouri from Medicaid fraud settlement

Jefferson City, Mo. – Attorney General Chris Koster announced today that Missouri’s Medicaid fraud program recovered an additional $1.6 million for the state as part of the March 17, 2015, settlement agreement between APS, the United States, and Missouri. APS has paid more than $11 million to the state and federal government pursuant to the settlement agreement, with $5.7 million of that amount for Missouri.

From 2008 to 2010, APS contracted to provide administrative services for two state Medicaid programs. Under the two programs, APS was to assist with managing the care for chronically ill Medicaid beneficiaries in Missouri, coordinating their preventive care in order to reduce overall costs related to emergency care. Koster contended that APS failed to comply with material contractual terms of both Missouri programs related to beneficiary contact and billing requirements.

NEW YORK

11/29/2016
A.G. Schneiderman Announces Indictment And Arraignment Of Clinic Operator For Allegedly Defrauding Medicaid By Offering Bogus Substance Abuse Treatment

NEW YORK—Attorney General Eric T. Schneiderman today announced the indictment and arraignment of Natalia Dochim, 39, of Nyack, New York, and corporate entities Miromedical P.C. (“Miromedical”) and Ferrara Medical Care, P.C. (“Ferrara”), on charges of Grand Larceny in the First Degree, Grand Larceny in the Second Degree, Health Care Fraud in the Second Degree, Money Laundering in the Second Degree, and Grand Larceny in the Fourth Degree. Prosecutors allege that Dochim, Miromedical, and Ferrara submitted claims for reimbursement for substance abuse treatment services to Medicaid and to MetroPlus, a state-funded managed care organization (“MCO”), when they were not certified to provide such services and for medical services allegedly rendered to MFCU undercover investigators that never occurred.


11/3/2016
A.G. Schneiderman Announces Arrest Of Clinic Operator For Allegedly Defrauding Medicaid By Offering Sham Substance Abuse Treatment

NEW YORK—Attorney General Eric T. Schneiderman today announced the arrest of Natalia Dochim, 39, of Nyack, New York and charges against her two companies, Miromedical P.C. (“Miromedical”) and Ferrara Medical Care, P.C. (“Ferrara”). In papers filed in New York City Criminal and New York State Supreme Courts, Bronx County, prosecutors allege that Dochim, Miromedical, and Ferrara, submitted claims for reimbursement for substance abuse treatment services to Medicaid and to MetroPlus, a state-funded managed care organization (“MCO”), when they were not certified to provide such services and for medical services allegedly rendered to Medicaid Fraud Control Unit (“MFCU”) undercover investigators that never occurred. Dochim was arrested yesterday on charges of Grand Larceny in the First, Second and Fourth Degrees; Health Care Fraud in the Second Degree; and Money Laundering in the Second Degree …

Former Counselor Pleads Guilty to Medicaid Fraud, Identity Theft

OKLAHOMA CITY – A former behavioral health counselor pleaded guilty to Medicaid fraud and identity theft following charges brought by Attorney General Scott Pruitt.

Toris Emanuel Louie, 28, of Oklahoma City, submitted documents to his employer indicating that he provided counseling services to children that had never occurred. Louie also used the children’s personal Medicaid identification numbers to fraudulently obtain payment from the Oklahoma Health Care Authority for services that were never provided.

Louie pleaded guilty to two counts of Medicaid fraud and three counts of identity theft. In addition to receiving a four-year deferred sentence, Louie was ordered to pay more than $14,000 in restitution and fines. Louie was further ordered to surrender any and all licenses and cannot work in any facility designated to the care of the elderly, vulnerable adults or children, or contract ...

Original Press Release:
https://www.ok.gov/triton/modules/newsroom/newsroom_article.php?id=258&article_id=26664

OKC Counselor Pleads Guilty to Medicaid Fraud, Identity Theft

OKLAHOMA CITY – An Oklahoma City man pleaded guilty to two counts of Medicaid fraud and one count of identity theft following charges brought by Attorney General Scott Pruitt.

Damon N. Wells, 34, was employed as a Behavioral Health Rehabilitation Specialist at Pennington Creek Life House. Wells contracted with the Oklahoma Health Care Authority to provide behavioral health counseling services to Medicaid recipients. During this time, Wells befriended the parent of four children to form a relationship that would allow him to use the children’s Medicaid identities to bill for counselling services he did not perform. Wells told the OHCA that he spent several hours a day with all four children when in fact, he spent much of his time playing basketball with only the male children. The parent told investigators for the Attorney General’s Medicaid Fraud Control Unit that Wells never ...

Original Press Release:
https://www.ok.gov/triton/modules/newsroom/newsroom_article.php?id=258&article_id=26187
RHODE ISLAND

11/30/2016
**Warwick Woman Sentenced for Medicaid Fraud**

Attorney General Peter F. Kilmartin announced that Deborah Brown, (age 57) of Warwick, RI, pleaded nolo contendere last month before Superior Court Magistrate John F. McBurney to one count of obtaining money under false pretenses for submitting materially false bills for medically unnecessary adult incontinent supplies to the Rhode Island Medicaid Program and to three counts of failure to file personal Rhode Island income tax returns for the years 2011, 2012 and 2013.

Under the terms of the plea, the defendant was sentenced to 10 years with four years to serve, of which six months will be served at the Adult Correctional Institute followed by three and one half years on home confinement. In addition, she was ordered to pay $263,130 in restitution. The execution of the sentence commenced Monday, November 28, 2016.

➢ *Original Press Release: https://www.ri.gov/press/view/29087*

TEXAS

11/15/2016
**AG Paxton: Medicare Manipulation Fraud Busted in Houston**

Attorney General Ken Paxton announced today that a former Medicare provider, Chimaroake Echenwune, has been convicted of conducting fraudulent Medicare and Medicaid programs, attempting to steal more than $1.3 million through illegal practices.

Echenwune worked with his wife and 13 EMTs to manipulate health care programs through Diamex EMS, his ambulance company. Mentally handicapped patients were billed for transports to hospitals when they were being taken to adult daycare facilities, destinations not covered by Medicare. Several patients’ caretakers testified that their clients were never transported by the company at all. Some individuals were billed up to three times the original cost of the ambulance service.

VERMONT

11/18/2016
Attorney General’s Office Agrees To Settlement With Mousetrap Pediatrics On False Claims Investigation
The State of Vermont and Mousetrap Pediatrics PC, have reached an agreement settling an investigation into whether Mousetrap submitted false claims or received overpayments from the Vermont Medicaid Program.

Mousetrap operated as a pediatric physician group for over twenty-five years in the Franklin County area, until its dissolution in January 2016. The settlement resolves an investigation into Mousetrap’s Medicaid claims related to after-hours office visits. The investigation revealed that from January 28, 2013, through December 7, 2015, Mousetrap submitted claims to Medicaid using an improper billing code for services provided during regularly scheduled extended office hours. Mousetrap received $51,553.65 more from the Vermont Medicaid program than it would have been entitled had the claims been properly submitted.


10/10/2016
Attorney General’s Office Agrees To Settlement With Burlington Laboratories On Medicaid Fraud Investigation
The State of Vermont, and Burlington Laboratories, Inc. and Burlington Labs, LLC (together “Burlington Labs”), have reached an agreement settling an investigation by the Medicaid Fraud and Residential Abuse Unit of the Office of the Attorney General into whether Burlington submitted false claims or received overpayments from the Vermont Medicaid Program. Burlington Labs will pay $6.75 million to settle potential claims under the Vermont False Claims Act. “This settlement balances the ongoing needs for drug testing services in Vermont with ensuring proper billings for services rendered and safeguarding of state and federal monies,” said Attorney General William H. Sorrell. Burlington Labs is an independent toxicology laboratory, headquartered in Burlington, Vermont. The settlement resolves an investigation into Burlington Labs’ Medicaid claims related to drug screening and certain confirm ...

AG Brnovich Warns of Hurricane Charity Scams

PHOENIX - Arizona Attorney General Mark Brnovich today is warning Arizonans to watch out for hurricane charity scams as they make donations to help those impacted by Hurricane Matthew.

“Our thoughts and prayers are with the victims of Hurricane Matthew,” said Attorney General Mark Brnovich. "It's important to help any way we can but remember - when a hurricane moves out, scam artists move in and try to take advantage of a person’s generosity. One of the best ways to protect yourself is to do your homework before making a donation."

IOWA

California Tax Relief Company Behind Look-Alike Government Tax Notices to Cease Iowa Mailings

DES MOINES – A California tax relief company that mailed look-alike government overdue tax notices to Iowa taxpayers and businesses will cease sending the mailings to Iowans, through an agreement with Attorney General Tom Miller.

National Tax Experts, of Glendale, and company president Nicholas Johnson, will stop soliciting tax relief and tax preparation services in Iowa, and agrees to issue refunds to Iowa taxpayers or companies who request them.

The agreement, called an assurance of voluntary compliance, follows two Consumer Protection Division referrals from the Iowa Department of Revenue about overdue tax notice mailings. The notices, listing various senders including the “Department of Taxation – Internal Taxation Services,” “Tax Settlement Department,” and the “Taxing Authority – National Processing Center,” warn recipients that they owe past due taxes and state tax liens. ...

10/25/2016

Company Selling Envelope Stuffing Scheme to Cease Marketing to Iowans

DES MOINES – An Arizona company advertising that consumers can earn thousands per week by stuffing and mailing envelopes at home will cease marketing to Iowans, through an agreement with Attorney General Tom Miller.

The company, called Saguaro, of Scottsdale, collects up-front “application fees” of $100-$400, and claims to pay consumers $10 each time Saguaro receives a response to a mailing sent by that consumer. Saguaro suggests consumers can earn $1,000-$5,000 per week. Miller alleges the claims are deceptive and unfair.

“We allege that Saguaro’s suggestion that you can get rich by stuffing and mailing its envelopes is a distorted picture of what you can reasonably expect as a consumer,” Miller said.


10/11/2016

Judgment Bars California “Toner Pirates” From Targeting Iowa Offices

DES MOINES – Three California companies that allegedly engaged in so-called “toner pirate” schemes to deceive Iowa office employees into overpaying for copier toner that they never ordered are barred from marketing to Iowans, through a court-approved agreement with Attorney General Tom Miller.

The consent judgment and permanent injunction, entered today by Polk County District Court Judge Jeffrey D. Farrell, resolves a lawsuit brought last month by Miller’s office. The defendants are Central Supply Center, of Orange, and owner Sandra Steinmetz; Elite Supplies, of Irvine, and owner Krystle Lester; and Central Supply Solutions, of Orange, and owner Brittany Hertsch. The three owners are related—Steinmetz is an aunt of Lester and Hertsch, who are half-sisters.

KANSAS

11/22/2016
Consumer Alert: Online concealed carry courses not valid for Kansas licensing
TOPEKA – (November 22, 2016) – Kansas Attorney General Derek Schmidt today alerted Kansans that online concealed carry courses do not satisfy the legal requirements to obtain a concealed carry license in Kansas.

Schmidt’s office has recently become aware of advertising offering online concealed carry courses that appear to be marketed to Kansans. However, in order to qualify for a Kansas concealed carry license, Kansans must complete a training program as outlined by Kansas law. While Kansas law currently allows for a broader recognition of prior training courses from other jurisdictions to be recognized, all training classes must meet certain minimum criteria, which include, among other minimum requirements, a live-fire demonstration of handgun proficiency.


KENTUCKY

11/15/2016
‘Jury Duty’ Phone Scam Reported in Kentucky
FRANKFORT, Ky. (Nov. 15, 2016) – Today Attorney General Beshear issued a Scam Alert to help Kentuckians avoid falling victim to a “jury duty” telephone scam. The U.S. Marshals Service recently warned of the scam sweeping much of the country and reports of such calls have now been made to the Kentucky Attorney General’s Office.

The caller, who pretends to be a U.S. Marshal, court worker or other federal or state law enforcement authority, claims you failed to appear for jury duty and must pay a fine immediately over the phone or risk arrest.

“If you get this type of call hang up,” said Attorney General Beshear. “Law enforcement officers and other federal and state authorities will not call to arrange immediate payment of fines over the phone for missing jury duty.”

ATTORNEY GENERAL WARNS CONSUMERS TO BE WARY OF SKIMMING AT THE PUMP

As some Mississippians are filling their gas tanks, criminals are emptying consumers’ wallets through high-tech theft known as credit- and debit-card skimming.

Attorney General Jim Hood’s Cyber Crime Unit is assisting local law enforcement agencies that are investigating skimming at several Jackson area gas stations. Thieves have attached small devices to fuel pumps that capture account information when a consumer swipes a card to pay for fuel. These small devices are almost impossible for consumers to notice. These devices are also sometimes used to steal account information at bank ATMs.


AG Koster alerts borrowers affected by recent school closings to possible debt relief from their federal educational loans

Jefferson City, Mo. – On November 1, 2016, Weston Educational Inc. closed its Missouri College campus in Brentwood and its Heritage College campus in Kansas City. These are just the most recent in a series of for-profit school closings in the past 18 months.

“Students and faculty are placed in a very difficult position when their schools close. Unfortunately, there is often a lack of information available for those who need it most,” Koster said. “We encourage students to file complaints with our office. This allows us to update them when information becomes available,” he added.

MONTANA

10/11/2016
Attorney General Fox Warns of Circulating Scam Texts
Attorney General Tim Fox and his Office of Consumer Protection (OCP) at the Montana Department of Justice want to alert Montanans to recent reports of scam text messages that are designed to appear to be sent by banks, credit card companies, or other financial institutions circulating among 406 area code phone numbers. Attorney General Fox encourages all Montana consumers to learn the telltale signs of these types of scams, and to utilize OCP’s easy-to-use online reporting forms to alert scam investigators. The online reporting system allows OCP to watch for trends in scams and to alert the public more quickly. These fraudulent text messages usually contain a link to a website that may look legitimate, and may even have the financial institution’s name in the web address. However, clicking on the link may install damaging software on a device, or redirect to a website that asks the ...


NEW HAMPSHIRE

10/4/2016
IRS Related Scams Continue To Be Prevalent Throughout New Hampshire
Attorney General Joseph A. Foster warns New Hampshire residents that IRS scam calls continue to be received throughout New Hampshire. Since the beginning of January, 2016, the Attorney General’s Office has received over 1,200 complaints related to these IRS scams, with no indication that those calls are becoming less frequent. The Attorney General issues this alert, as he did last February and, again in 2015.

Frequently, residents will receive unsolicited calls from individuals fraudulently claiming to be from the IRS demanding payment for taxes allegedly past due. The callers typically ask for some sort of immediate payment and request debit or credit card numbers. Some callers even threaten arrest, wage garnishment, or other forms of legal process to coerce the resident into making the payment.

10/18/2016
Don’t Get Tricked When Shopping at Halloween “Pop Up” Stores Be Aware That These Stores Can Vanish Like Ghosts
NEWARK – With Halloween fast approaching, the New Jersey Division of Consumer Affairs today warned seasonal shoppers to beware of retail pop up stores that can vanish like ghosts when Halloween is over, leaving them with no way to return merchandise or redeem store credit.

Next to Christmas, Halloween is the biggest shopping holiday of the year, with consumers across the country expected to shell out $6.4 billion on costumes, candy and holiday décor, according to the National Retail Federation’s annual survey. Much of that money will be spent at “pop up” Halloween stores, retailers that set up shop in rented commercial spaces several weeks before the holiday and close up shortly afterward.

, creepy decorations and other ghoulish goods needed for a “spooktacular” celebration. …


10/17/2016
Attorney General and Division of Consumer Affairs Warn the Public About the Dangers in Using the Highly Potent Fentanyl Spray “Subsys” Outside Its Approved Use to Treat Cancer Pain
NEWARK – Attorney General Christopher S. Porrino and the Division of Consumer Affairs today warned the public about the grave risks involved in using the potent prescription painkiller “Subsys” for anything other than its approved use to treat breakthrough pain in cancer patients already on round-the-clock opioid painkillers.

The State issued the public alert after filing an action seeking the temporary license suspension of a Cherry Hill doctor who prescribed Subsys to a non-cancer patient who later died from “adverse effect of drugs.”

A.G. Schneiderman Issues Alert On Phishing Scam Targeting New York Attorneys

NEW YORK — Attorney General Eric T. Schneiderman today issued a consumer alert following recent reports that hackers are targeting attorneys in New York pretending to be representatives of his office. Attorneys are receiving email claiming that their business was subject of a complaint for which they have 10 days to respond. The email includes a hyperlink to the “complaint” but in reality it links to a website that installs malicious software on the person’s computer.


A.G. Schneiderman Issues Fraud Alert On Immigration Scams

NEW YORK – In light of increased fear and anxiety in immigrant communities as a result of the current political climate, Attorney General Eric T. Schneiderman today issued a fraud alert warning immigrants to be aware of potential scammers offering immigration services. Immigration fraud affects large segments of communities and involves individuals or companies who target vulnerable immigrants by providing unauthorized and fraudulent immigration services. In recent weeks, the Attorney General’s office and many legal aid organizations that work with immigrant communities have received an increased number of calls and reported scams.


Price gouging law in effect in 25 counties due to Western NC wildfires, Attorney General Cooper says

Raleigh: With wildfires burning in several western counties, Attorney General Roy Cooper today encouraged consumers to report price gouging in the area and learn about their rights if the fires interrupt their Veterans Day vacation plans.
“Firefighters are battling to control the blazes and we hope they’ll soon succeed,” Cooper said. “When emergencies like wildfires happen, North Carolina law protects you from price gouging. Let us know about anyone using these fires to make an unfair profit.”


10/7/2016
Price gouging banned statewide due to Hurricane Matthew, AG Cooper says
Raleigh: North Carolina's law against price gouging is now in effect for all 100 counties for all goods and services, Attorney General Roy Cooper said Friday morning.

"Most businesses treat their customers fairly, in good times and bad, but some may try to take unfair advantage of a crisis," Cooper said. "A disaster is not the time to hike prices."

The general ban on price gouging triggered by Hurricane Matthew was extended late Thursday to cover the entire state. The law prohibits unreasonable prices, including for hotel and motel rooms, restaurants, and gasoline.

The law against price gouging protects not only North Carolina consumers but also people who may be evacuating to North Carolina from Florida, Georgia and South Carolina to avoid the hurricane.


OHIO

10/14/2016
Attorney General DeWine Warns of Sweetheart Scams
(COLUMBUS, Ohio)—As Sweetest Day is recognized this Saturday, Ohio Attorney General Mike DeWine is warning consumers to beware of online romance or “sweetheart” scams, which have cost Ohioans thousands of dollars.

The scams generally begin when a con artist creates a phony profile on a dating website or social media and meets a victim online. The two begin communicating, and eventually the scammer asks the victim to send money.
Consumers have reported losing an average of $29,000 to sweetheart scams this year, according to about 40 complaints filed with the Ohio Attorney General’s Office in 2016. Some consumers have reported sending more than a hundred thousand dollars over the course of several months or years.

“These con artists are very good at what they do,” Attorney General DeWine said. “They’re good actors. They’ll communicate with someone for months, but at some point they ...


RHODE ISLAND

10/5/2016
Attorney General Kilmartin Warns of Possible Hurricane Matthew Scams
While it appears that Hurricane Matthew will not have a significant impact on Rhode Island and Southern New England, Attorney General Peter F. Kilmartin is reminding Rhode Islanders to be aware of potential relief effort scams. The Caribbean nation of Haiti, still recovering from the devastating earthquake six years ago, took a direct hit and within in the days ahead, the residents will be trying to recover from the impacts of Hurricane Matthew. It is expected that food, water and medical supplies will be in short demand.

"In times of disaster, we often lead with our hearts, not with our heads. If you want to donate to Hurricane Matthew relief efforts, it's important to do your homework, know exactly to whom you are donating, and how the money will be used," said Attorney General Kilmartin. "There are a number of well-established, legitimate organizations ...

Original Press Release: https://www.ri.gov/press/view/28697

SOUTH CAROLINA

10/4/2016
Attorney General Alan Wilson Announces Price Gouging Statute in Full Effect
(COLUMBIA, SC)– South Carolina Attorney General Alan Wilson today announced that the price gouging statute is in effect upon notice that Governor Haley issued an executive order declaring a state of emergency.
“As we prepare for Hurricane Matthew to make landfall in South Carolina, it’s imperative that South Carolinians make necessary preparations and follow safety instructions. Our state is still recovering from the catastrophic damage caused by the floods in 2015, and as we have witnessed before, we will see many neighbors helping each other during this delicate time. However, we may also see some looking to unfairly take advantage of the situation through price gouging of food, gasoline, lodging, water and any other commodities as defined by the statute. Pursuant to state law, price gouging constitutes a criminal violation and an unfair trade practice.


11/23/2016
Attorney General Jackley Provides Holiday Shopping Tips
PIERRE, S.D. – The holiday shopping season begins earlier each year and this year is no exception with the lure of pre-Black Friday deals and advertisements filled with one-of-a kind specials. The Attorney General’s Consumer Protection Division is again encouraging consumers to shop with care this holiday season. ...


TEXAS

10/26/2016
AG Paxton Issues Warning on Decorative Contact Lenses for Halloween
Texas Attorney General Ken Paxton today cautioned consumers about the dangers of wearing decorative contact lenses for Halloween costuming or cosmetic reasons. The decorative lenses, also marketed as “costume,” “fashion” or “colored” lenses, pose potential serious risks to eye health, including infections and loss of vision. Before buying decorative lenses, the attorney general’s Consumer Protection Division (CPD) recommends the following precautions ...

10/17/2016
Attorney General Warns Utahns of Telephone Scam Spoofing Utah State Treasurer’s Office Phone Number

SALT LAKE CITY October 17, 2016 – Utah Attorney General Sean D. Reyes announced today that the Office of the Attorney General has received reports of Utahns receiving fraudulent, unsolicited phone calls from aggressive individuals claiming to be IRS officials collecting back taxes. The fraudulent callers are spoofing the Utah Office of the Treasurer’s phone number (801-538-1042) to gain credibility. The Office of Utah State Treasurer does not collect taxes (federal, state or otherwise).

The fraudulent callers demand the victim immediately pay a bogus tax bill via credit card, pre-loaded debit card or wire transfer. If the victim does not cooperate, they are intimidated with threats of arrest, deportation or other harmful measures.


---

10/14/2016
ATTORNEY GENERAL HERRING URGES CONSUMERS TO BEWARE OF FRAUD AND SCAMS FOLLOWING HURRICANE MATTHEW

RICHMOND (October 14, 2016) - As Virginia recovers from the impact of Hurricane Matthew, Attorney General Mark R. Herring today encouraged Virginians to know their rights as consumers and to be on the lookout for common frauds and schemes that prey upon people affected by natural disasters. Specifically, the Office of the Attorney General alerted Virginians to scams involving door to door canvassing, charitable contribution solicitations, and home repair proposals.

"This storm has already had a significant impact on Virginia families and we don't want anyone to be a victim twice," said Attorney General Mark Herring. "Sadly, those affected by storms are often the target of frauds, scams, and other illegal practices as they try to clean up and move forward. I strongly encourage that Virginians make themselves aware of the type of fraudulent behavior that follow natural disasters ..."

AG report details data breaches affecting 500K Washingtonians

Nearly half a million Washingtonians had their personal information compromised as a result of data breaches between July of 2015 and July of this year, according to a report issued today by Attorney General Bob Ferguson. The release coincides with National Cyber Security Awareness Month.
